KINETIC MINERALS, INC.

tead 000

1012 NORTH BECK STREET SALT LAKE CITY, UTAH 84103

Gentlemen:

(801) **XKX-X955X** 359-2968

March 9, 1983

MAR 1 1 1983

State of Utah
Department of Natural Resources and Energy
Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114



DIVISION OF OIL, GAS & MINING

Enclosed is Form MR-1 filled out for our notice of intent to commence Mining Operations and Mining Reclamation Plan. At the present time, our operations will be quite simple in scope. We have obtained a lease from the Owners of six patented mining claims in the Stateline Mining District, Iron County, Utah. The Ofer Mine and dump is located on the claims. We have sampled the dump sufficiently to believe they hold a commercially viable quantity of silver and gold. We have also leased the Gold Dome Mining Company Mill approximately one mile to the West of the Ofer Mine. It is our intention to transport the dump material (approximately 12000 ton) to the mill which will be renovated and brought up to standards to mill the material.

The main construction project will be refurbishing the mill and construction of a tailings dam. The tailings pond will be on patented ground.

In the future we will be doing some exploration and the potential exists for further operations. These will be outlined in future applications if they are feasible.

We have met with the State Department of Health and have given a notice of intent to Air and Water Pollution Control Departments. We also are in contact with the Local Board of Health regarding waste disposal methods. We will meet their requirements.

Although the major work will be accomplished on private land, we will serve notice to the BLM of our operations. We have contacted State Mining Safety Personnel and will request inspection before beginning operations.

We will be available to answer any questions at your convenience.

Yours truly

KINETIC MINERALS, INC.

Frank C. Johnson, Vice President

FCJ/gwb enclosure